

“A STUDY ON INNOVATIVE MANAGEMENT PRACTICE FOR GLOBAL ENVIRONMENT IN E-CRM (WITH SPECIAL REFERENCE TO SUPER MARKETS AT ERODE)”

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ABSTRACT

The process of storing and analyzing the vast amount of data produced by sales calls, customer- service centers and actual purchases, supposed to yield greater insight in to customer behavior. CRM allows businesses to treat different types of customers differently – in some cases, for instance, by responding more slowly to those who spend less or charging more to those who require more expensive handholding. In this modern world, CRM plays a very important role amongst different types of customers and competitors. Management using some of the tactics in CRM helps to identify the regular customer's needs and requirements and also to reduce the competition between the various manufacturers in the market.

In this study, an attempt has been made to analyze how the management adopts innovative practices for global environment through CRM (E-CRM).

Keywords: Expensive Handholding, CRM Plays, Yield Greater

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INTRODUCTION

As the acronym indicates, the focus of CRM is customers, particularly existing ones. However, acquiring new customers and bringing them in to “pipeline” or funnel is long term business success. The knowledge base contained in a CRM system will, in fact aid in the acquisition of new customers. As companies gather information about current customers, view their purchase history and interactions with the organization, compute customer life time value and understands what motivates them to increase their purchases or trade up to higher priced items, the company has a knowledge base that will enable them to attract others like them.

Like wise, as companies gather information about current customers who buy infrequently, buy only when products or services are on discount or on offer sale, frequently return merchandise, and complain often, the company can avoid attracting similar such customers. It is anathema for some marketers to consider avoiding certain type of customers; after all once in the company fold, would it not be possible to market some products and services to them at a profit? Perhaps not. As we already know, the focus of CRM is on relationships; there are actually three types of relationships; relationships that exist among acquaintances, friends and partners. Acquaintance relationships are based on satisfaction, and companies have to provide only parity value to achieve this; i.e., their products and services must somehow be different from the competitions. Partner's relationship is

based on commitment, and companies have to provide customized value to their customers in order to achieve partner status. Often partner relationships are developed and maintained by a shared structural component that enables them to operate more efficiently and effectively. Thus, the goal of the CRM is not merely to establish and maintain a relationship with customers but rather to increase the strength of the relationships from the acquaintanceship to friendship to partnership. One must not overlook that there must be some mechanism in place to feed potential customers in to the systems; i.e., to convert strangers to acquaintances.

E-CRM

It is derived from E-commerce. It also uses net environment i.e., intranet, extranet and internet. Electronic CRM concerns all forms of managing relationships with customers making use of Information Technology (IT). E CRM in enterprises uses IT to integrate internal organization resources and external marketing strategies to understand and fulfill their customer's needs. Comparing with traditional CRM, the integrated information for eCRM intra organizational collaboration can be more efficient to communicate with customers.

The main difference between Relationship Management and CRM is that the first does not acknowledge the use of technology, where as the latter uses Information Technology (IT) in implementing RM strategies.

The Essence of CRM

- The exact meaning of CRM is still subject of heavy discussions. However, the overall goal can be seen as effectively managing differentiated relationships with all customers and communicating with them on an individual basis.
- Loyal customers can not only give operational companies sustained revenue but also advertise for new marketers.
- To reinforce the reliance of customers and create additional customer sources, firms utilize CRM to maintain the relationship as the general two categories B2B and B2C. Because of the needs and behaviors are different between B2B and B2C, so that the implementation of CRM should come from respective viewpoints.

Differences between CRM and E-CRM

Customer Contacts

- **CRM:** Contact with customer made through the retail store, phone, and fax.
- **E-CRM:** All the traditional methods are used in addition to Internet, email, wireless, and PDA technologies.

System Interface

- **CRM:** Implements the use of ERP systems, emphasis is on the back-end.
- **E-CRM:** Geared more towards front end, which interacts with the back-end through use of ERP systems, data warehouses, and data marts.

System Overhead (Client Computers)

- **CRM:** The client must download various applications to view the web-enabled applications. They would have to be rewritten for different platform.
- **E-CRM:** Does not have these requirements because the client uses the browser.

Customization and Personalization of Information

- **CRM:** Views differ based on the audience, and personalized views are not available. Individual personalization requires program changes.
- **E-CRM:** Personalized individual views based on purchase history and preferences. Individual has ability to customize view.

System Focus

- **CRM:** System (created for internal use) designed based on job function and products. Web applications designed for a single department or business unit.
- **E-CRM:** System (created for external use) designed based on customer needs. Web application designed for enterprise-wide use.

System Maintenance and Modification

- **CRM:** More time involved in implementation and maintenance is more expensive because the system exists at different locations and on various servers.
- **E-CRM:** Reduction in time and cost. Implementation and maintenance can take place at one location and on one server.

OBJECTIVES OF THE STUDY

- To identify the customers needs and wants of customers visiting the Super market.
- To identify the services rendered by the Super Market to regular customers through E-CRM
- To find out increase in usage of CRM in products and services promotion.
- To study whether the usage of E-CRM enhances the customer service and satisfaction.

Scope of the Study

E-CRM can be highly effective in reducing acquisition costs and developing customers by increasing usage of company products and services. In addition, CRM is extremely effective in increasing upward migration and increasing cross-sell. E-CRM has also proven effective in increasing client retention, reducing silent attrition through migration management, and reducing downward migration. E-CRM also dramatically increase the quality of service a company provides its customers by improving queuing, matching callers with the most appropriate CSP and directing customers to use the most profitable channels in communicating with the company.

RESEARCH METHODOLOGY

It is an Empirical Study Based on Survey Method. The Study is Descriptive

- The study deals with Electronic CRM in Super Markets at Erode.
- 10 Super Markets were selected for the present research. In those 10 Super Markets 10 regular customers from each super markets are selected as sample.

- In total 100 members were selected as sample.
- The relevant data collected from the respondents with the help of Structured Interview Schedule.
- The collected data were classified, tabulated and analyzed.

IMPLEMENTING & INTEGRATING E-CRM WORK

Non-Electronic Solution

In order to implement CRM in an effective way, one needs to consider the following factors:

- Create a customer-focused culture in the organization.
- Adopt customer-based managers to assess satisfaction.
- Develop an end-to-end process to serve customers.
- Recommend questions to be asked to help a customer solve a problem.
- Track all aspects of selling to customers, as well as prospects.

Electronic Solution (E-CRM)

Contrast with traditional CRM being implemented under ERP (Enterprise Resource Planning) interface communicating in firms and with their customers, eCRM optimizes the customized environment via web browser. This provides beneficial for effective communication not only enterprises to external customers and internal departments. Business personalized each of their customer profile unified in entire organization. By "central repository", customer may communicate with different department staff in the corporate via Internet (or phone call). And firms are able to use the marketing analysis for customer more mature services. As each department integrates customers' information, they can focus on individual operational duty more efficiently, so that firm may reduce execution cost.

Cloud Solution

Today, more and more enterprise CRM systems move to cloud computing solution, *"up from 8 percent of the CRM market in 2005 to 48 percent of the market in 2015, according to Gartner"*. Moving managing system into cloud, companies can cost efficiently as pay-per-use on manage, maintain, and upgrade etc. system and connect with their customers streamlined in the cloud. In cloud based CRM system, transaction can be recorded via CRM database immediately.

Some enterprises CRM in cloud systems are web-based, customers don't need to install an additional interface and the activities with businesses can be updated on real-time. People may communicate on mobile devices to get the efficient services. Furthermore, customer/case experience and the interaction feedbacks are another way of CRM collaboration and integration information in corporate organization to improve businesses' services. There are multifarious clouds CRM services for enterprise to use and here are some hints to the right CRM system:

- Assess your company's needs: some of enterprise CRM systems are based on the specific needs of the Company.
- Take advantage of free trials: comparison and familiarization each of the optional.
- Do the math: estimate the customer strategy for company budget.

- Consider mobile options: some system like Salesforce.com can be combined with other mobile device application.
- Ask about security: consider whether the cloud CRM provider gives enough protection as your own.
- Make sure the sales team is on board: as the frontline of enterprise, the launched CRM system should be the help for sales.
- Know your exit strategy: understand the exit mechanism to keep flexibility.

Some Examples of Tools Used in E-CRM:

- Personalized Web Pages where customers are recognized and their preferences are shown.
- Customized products or services.

CRM programs should be directed towards customer value that competitors cannot match. However, in a world where almost every company is connected to the Internet, eCRM has become a requirement for survival, not just a competitive advantage.

Different Levels of E-CRM

In defining the scope of E-CRM, three different levels can be distinguished:

- **Foundational Services**
- **Customer-Centered Services**
- **Value-Added Services**

MOBILE CRM

One subset of Electronic CRM is Mobile CRM (mCRM). This is defined as "services that aim at nurturing customer relationships, acquiring or maintaining customers, support marketing, sales or services processes, and use wireless networks as the medium of delivery to the customers. However, since communications is the central aspect of customer relations activities, many opt for the following definition of mCRM: "communication, either one-way or interactive, which is related to sales, marketing and customer service activities conducted through mobile medium for the purpose of building and maintaining customer relationships between a company and its customer(s). eCRM allows customers to access company services from more and more places, since the Internet access points are increasing by the day. mCRM however, takes this one step further and allows customers or managers to access the systems for instance from a mobile phone or PDA with internet access, resulting in high flexibility. Since, mCRM is not able to provide a complete range of customer relationship activities it being integrated with the CRM system in total.

Advantages of Mobile CRM

- The mobile channel creates a more personal direct connection with customers.
- It is continuously active and allows necessary individuals to take action quickly using the information.
- Typically it is an opt-in only channel which allows for high and quality responsiveness.
- Overall it supports loyalty between the customer and company, which improves and strengthens relationships.

Failures

Designing, creating and implementing IT projects has always been risky. Not only because of the amount of money that is involved, but also because of the high chances of failure. However, a positive trend can be seen, indicating that CRM failures dropped from a failure rate of 80% in 1998, to about 30% in 2013.

Some of the Major Issues Relating to CRM Failure are the following

- Difficulty in measuring and valuing intangible benefits.
- Failure to identify and focus on specific business problems.
- Lack of active senior management sponsorship.
- Poor user acceptance.
- Trying to automate a poorly defined process.

Failure rates in CRM from 2001-2009

- 2001- 50% failure rate according to the Gartner group
- 2002- 70% failure rate according to Butler group
- 2003- 69.3% according to Selling Power, CSO Forum
- 2004- 18% according to AMR Research group
- 2005- 31% according to AMR Research
- 2006- 29% according to AMR Research
- 2007- 56% according to Economist Intelligence Unit
- 2009- 47% according to Forrester Research

Statistics on Privacy

- 38% of retailers don't talk about privacy in their sign up or welcome email
- About 50% of major online retailers discuss privacy concerns during the email subscription process

LIMITATIONS OF THE STUDY

- Even through the customers gave correct information during the unstructured interview conducted; they gave positive answer while answering the questionnaire.
- The investigator intended to cover only few areas of market relevant to the proposed study.
- As the study was done within a limited time, investigator could not select sufficiently large sample for the study.

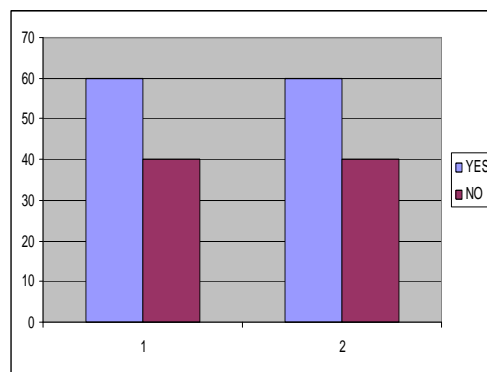
RESULTS AND DISCUSSIONS

**Table 1: E-Crm Messages from Supermarkets
Properly Reaches to the Regular Customers**

Opinions	No. of. Respondents	Percentage
YES	60	60
NO	40	40
Total	100	100

INTERPRETATION

From the above table it shows that 60% of the respondents are saying Yes that the messages from supermarkets properly reaches to the regular customers. 40% of the respondents are saying NO that the messages from supermarkets are not properly reaching the regular customers.



**Figure 1: E-CRM Messages from Supermarkets
Properly Reaches to the Regular Customers**

Table 2: The Device Used For Messaging Details to Regular Customers in E-Crm

Opinions	No. of. Respondents	Percentage
Cell Phones sms	64	64
E-mail	24	24
whatsApp	12	12
Total	100	100

INTERPRETATION

From the above table it shows that 64% of the respondents are saying that the device used for sending messages to regular customers in E-CRM is Cell phones. 24% of the respondents are saying that the device used for messages to regular customers in E-CRM is E-mail. 12% of the respondents are saying that the device used for messages to regular customers through whatsApp.

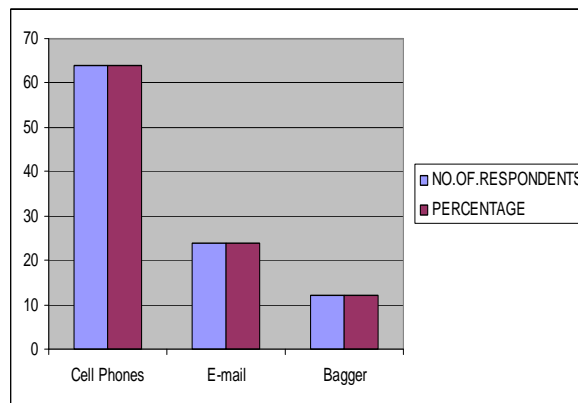


Figure 2: The Device Used for E-CRM

Table 3: E-CRM Helps to Identify the Customer Needs and Wants

Opinions	No. of. Respondents	Percentage
YES	73	73
NO	27	27
Total	100	100

INTERPRETATION

From the above table it indicates that 73% of the respondents are saying yes that E-CRM helps to identify the customer needs and wants. 27% of the respondents are saying that is the E-CRM does not help to identify the customer needs and wants.

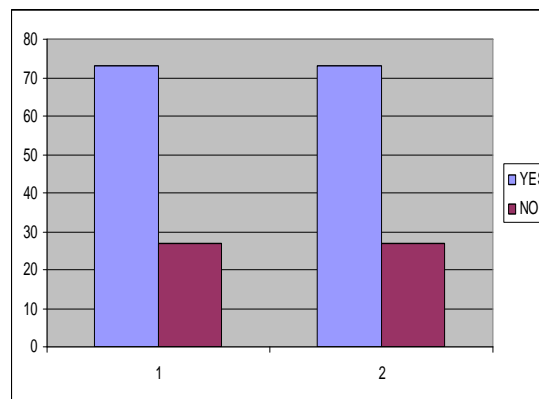


Figure 3: E-Crm Helps to Identify the Customer Needs and Wants

Table 4: E-Crm Helps to Increasing Usage of Current Products and Services

Opinions	No. of. Respondents	Percentage
YES	64	64
NO	36	36
Total	100	100

INTERPRETATION

From the above table it reveals that 64% of the respondents are saying yes that E-CRM helps to increasing usage of current products and services. 36% of the respondents are saying that E-CRM does not help to increasing usage of current products and services.

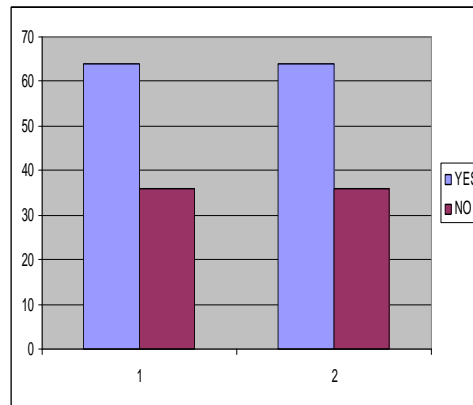


Figure 4: E-CRM Helps to Increasing Usage of Current Products and Services

Table 5: E-CRM Helps in Increasing Customer Services and Satisfaction

Opinions	No. of. Respondents	Percentage
YES	69	69
NO	31	31
Total	100	100

INTERPRETATION

From the above table it indicates that 69% of the respondents are saying yes that E-CRM helps in increasing customer services and satisfaction. 31% of the respondents are saying that E-CRM does not help in increasing customer services and satisfaction.

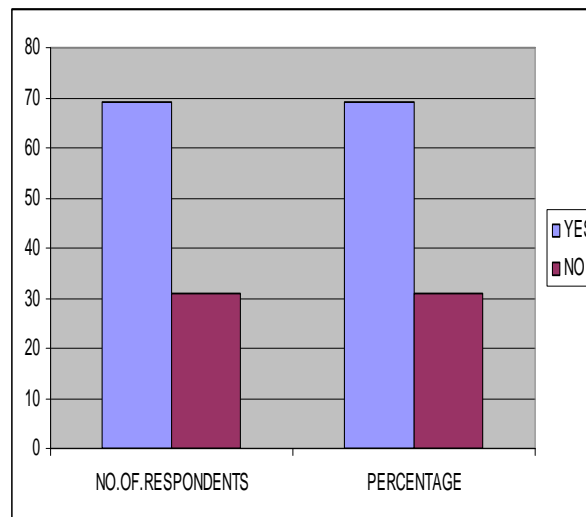


Figure 5: E-CRM Helps in Increasing Customer Services and Satisfaction

CONCLUSIONS

E-CRM plays a vital role in improving the relationship with the customers and to reduce competition between each others product in the market. In order to increase the profit of the product, management shall always develop regular contact with their customers. E-CRM helps to improve the relationship with the customers and it also helps identify the customer's needs and requirements. Based on the customer needs and wants, the organization can improve the product quality, cost and to reduce competitors in the market.

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